

Texas Woman's University University Regulation and Procedure

Regulation and Procedure Name: Longevity Pay

**Regulation and Procedure
Number: URP: 05.415**

Policy Owner: Finance and Administration

POLICY STATEMENT

The purpose of this policy is to provide for the administration of longevity pay.

APPLICABILITY

This policy is applicable to TWU Students, Faculty, and Staff.

DEFINITIONS

1. "Longevity pay" means an earned benefit based on total state service, not including junior/community college or time worked at independent school districts. Longevity pay is paid each month in addition to base salary.

REGULATION AND PROCEDURE

I. Regulations

Texas Woman's University provides longevity pay to eligible employees in accordance with State Law. A regular full-time staff employee of Texas Woman's University, who qualifies under the eligibility provisions of this policy, will be entitled to longevity pay at the rate of \$20 per month for every two years of lifetime service credit as an employee of the State up to and including 42 years of service. Such pay will commence at the end of the second year of State service and will be increased at the end of each two years thereafter.

II. Eligibility

A. To be eligible for longevity pay, an employee must:

1. Be a full-time staff employee not working less than 40 hours per workweek.

2. Be in a paid status on the first workday of the month
3. Have accrued 24 months of lifetime state service credit not later than the last day of the preceding month.

B. Specific rules for determining longevity pay eligibility are:

1. An employee who qualifies under the eligibility definitions cited above on the first day of the month is entitled to longevity pay for that month, provided none of the employee's salary for any part of the month is from teaching academic courses.
2. An eligible employee who enters leave without pay status or who terminates State employment after the first day of the month is entitled to full longevity for the month. Longevity pay is not prorated.
3. An eligible employee who transfers from one State agency to another State agency after the first day of the month is entitled to payment of full longevity pay for the month by the State agency employing the individual on the first day of the month.
4. Longevity pay will not be considered in the calculation of the lump-sum vacation pay of an eligible employee who terminates State employment or the calculation of vacation and sick leave death benefits payable to the estate of the deceased employee.

C. The following employees are not eligible:

1. A part-time employee;
2. A temporary employee;
3. A faculty member; and
4. An employee who retired from State employment on or after June 1, 2005, and receives an annuity based wholly or partly on service as a State employee in a public retirement system that was credited to the employee.

III. Creditable Service

- A. For purposes of determining the years of State service of an employee for longevity pay, all prior employment with Texas Woman's University or with any other State of Texas agency or institution or State legislative service

will be counted. Service with independent school districts or junior and community colleges, are not eligible for longevity pay purposes.

- B. Lifetime service credit for longevity pay is based on all employment with the State regardless of whether the individual was a student during the service, including full-time, part-time, temporary, faculty and legislative service.
- C. A faculty member who accepts a position as a staff employee is entitled to lifetime service credit for the actual length of the faculty appointment. The credit for service in the faculty appointment is included when determining longevity pay.
- D. An employee who is on leave without pay for an entire calendar month does not accrue lifetime service for the month. An employee who is on leave without pay for less than an entire month accrues lifetime service credit for the month if the employee otherwise qualifies to accrue credit. An employee who simultaneously holds two or more positions that each accrues lifetime service credit accrues credit for only one of the positions.
- E. Employees previously employed by other institutions and agencies of Texas must provide to the Office of Human Resources ("OHR") employment verification from their prior employer(s) containing the beginning and ending dates of each period of employment. This documentation will be retained in the employee's personnel file.
- F. A former employee who left a position of employment with Texas Woman's University for the purpose of entering active military service is entitled upon return to employment with Texas Woman's University to have the time on active duty, not to exceed five years, counted as creditable service for purposes of longevity pay. Documentation showing the period of military service must be furnished by the employee and retained on file by the Office of Human Resources.
- G. The amount of an employee's lifetime service credit does not include the period served in a hazardous duty position if the employee is entitled to receive hazardous duty pay. An employee's lifetime service credit includes the period served in a hazardous duty position if the employee is not currently entitled to hazardous duty pay.

IV. Longevity Pay for Return-to-Work Retirees

- A. Special provisions apply to longevity pay for return to work retirees. Retirement from state employment includes retirement from the Teacher Retirement System of Texas, the Employees Retirement System of Texas, and retirement under an Optional Retirement Program.
- B. A state employee who retired from state employment before June 1, 2005, and who returned to state employment before September 1, 2005, is eligible to receive longevity pay, in the same amount the employee was entitled to receive immediately before September 1, 2005. The amount of longevity pay to which the employee is entitled is frozen and will not increase regardless of the amount of lifetime service credit accrued after returning to work.
- C. A state employee who retired from state employment before June 1, 2005, and who returns to state employment on or after September 1, 2005, is not entitled to receive longevity pay.
- D. A state employee who retired from state employment before June 1, 2005, and returned to state employment before September 1, 2005, but later terminates employment and returns a second time is no longer eligible to receive longevity pay.

V. Payment

- A. Upon completion of two years of service, longevity pay begins on the first day of the next month at the rate of \$20 per month and continues at that rate until the completion of another two-year increment, when it increases to the next level. When an employee reaches the next level for longevity pay during a month, the increase in longevity pay will be effective the first day of the following month.

B. Longevity Pay Table

State Service in Years	Monthly Longevity Pay
Less than 2	\$0
Over 2 but less than 4	\$20.00
Over 4 but less than 6	\$40.00

State Service in Years	Monthly Longevity Pay
Over 6 but less than 8	\$60.00
Over 8 but less than 10	\$80.00
Over 10 but less than 12	\$100.00
Over 12 but less than 14	\$120.00
Over 14 but less than 16	\$140.00
Over 16 but less than 18	\$160.00
Over 18 but less than 20	\$180.00
Over 20 but less than 22	\$200.00
Over 22 but less than 24	\$220.00
Over 24 but less than 26	\$240.00
Over 26 but less than 28	\$260.00
Over 28 but less than 30	\$280.00

State Service in Years	Monthly Longevity Pay
Over 30 but less than 32	\$300.00
Over 32 but less than 34	\$320.00
Over 34 but less than 36	\$340.00
Over 36 but less than 38	\$360.00
Over 38 but less than 40	\$380.00
Over 40 but less than 42	\$400.00
42 or more	\$420.00

- C. Longevity pay is an integral part of each eligible employee's gross compensation and is subject to the same payroll deductions (Federal taxes and Retirement). However, longevity pay is not considered in determining the amount of any group insurance coverage.
- D. Longevity pay received by an employee will be allocated to direct and/or indirect costs of grants and contracts on the same basis as the regular salary of the employee.
- E. A change in the status occurring during the month will be effective the first day of the following month. For example:
1. An employee appointed on September 1 of a given year will complete two years of service on August 31, two years later. Eligibility for longevity pay begins on the first day of the next month, September 1.

2. An employee appointed on September 2 of a given year will complete two years of service on September 1, two years later. Eligibility for longevity pay begins on the first day of the next month, October 1.

3. An employee, who increases to full-time during a month, becomes eligible for longevity pay the following month, provided the employee meets all other eligibility criteria.

F. Longevity pay will not be prorated. The full amount of longevity pay will be paid to an individual who ceases to be an employee after the first workday of the month.

G. Separate lump sum payment for longevity pay is not authorized; payment is included only in the regular paychecks of employees.

VI. Special Notes

When conflicts arise between this policy and the state guidelines, state rules will apply.

REVIEW

This policy will remain in effect and published until it is reviewed, updated, or archived. This policy is to be reviewed once every six years. Interim review may be required as a result of updates to federal and state law or regulations, Board of Regents policies, or internal processes or procedures.

REFERENCES

None

FORMS AND TOOLS

None

Publication Date:

Next Review: